

---

**FOR IMMEDIATE RELEASE**

Wednesday, February 11, 2013

CONTACT: DWD Communications, 608-266-2722

On the Web: <http://dwd.wisconsin.gov/dwd/news.htm>

On Facebook: <http://www.facebook.com/WIWorkforce>

On Twitter: @WIWorkforce

## **Developing Wisconsin's Workforce: \$100 Million Investment in Our Future**

**Madison**—Today, Governor Scott Walker announced a near \$100 million investment of new state funds, with a total investment of \$132 million, in workforce development aimed at equipping workers with the skills they need to find jobs in the modern workforce. Governor Walker's workforce development plan includes two parts: separate legislation, which will be introduced ahead of the budget, and substantial budget investments and reforms.

"Our goal is to help our state and our workers become among the most prosperous and innovative in the country. My workforce development plan is a multi-faceted approach providing flexible solutions from up-to-date labor market information to getting people on Food Stamps employment training. The plan is designed to help workers get the skills necessary for jobs available across the state today," said Governor Walker.

"We will make smart, targeted investments in our UW-System, the Wisconsin Technical College System, and traditional K-12 education to ensure our citizens have the skills needed for the jobs of today and tomorrow," Governor Walker added. "Beyond just traditional educational investments, my proposal provides worker training grants in areas of immediate need, including items like training for healthcare-related jobs in rural and high poverty areas. My workforce development package provides a hand up to those who are able to work—not simply a hand out."

As a part of the workforce development plan, Governor Walker will request passage of LRB—1162 in advance of the Budget. LRB—1162 contains funding for:

- **Labor Market Information System:** Develops a state-of-the-art Labor Market Information System through the Department of Workforce Development (DWD) to track job vacancies and link unemployed workers to openings they are qualified to fill or to training they can complete to become qualified, helping the unemployed return to the workforce faster. In addition, the system will provide high school students and guidance counselors with up to date labor market information helping inform students about career opportunities and the training they would need for currently in-demand jobs.
- **Worker Training Grants:** Funds \$15 million GPR over the biennium for DWD grants to both public and private organizations, such as technical colleges, Workforce Investment Boards, regional economic development organizations, and Wisconsin businesses,

providing training to new and incumbent workers. These grants may require some matching funds from businesses requesting the training to ensure businesses, as well as the state, are invested in the outcome of the worker training programs funded. Other states, including Minnesota, Iowa, Indiana, and Texas, currently have state-funded worker training programs; and Wisconsin not having one puts us at a competitive disadvantage.

- **Office of Skills Development:** Creates the Office of Skills Development at DWD and funds 4.0 full-time positions to administer the worker training grants. With the Wisconsin Economic Development Corporation, the Technical College System, economic development agencies, and businesses, the Office will nimbly and quickly adjust training grants to current and changing workers' skill needs and emerging skill clusters, providing workers with a responsive, flexible, and valuable training resource.

Tim Sullivan's report, Restoring Wisconsin's Workforce Development, and Competitive Wisconsin's Be Bold 2 report recommended initiatives similar to those contained in LRB—1162.

Among the economic development programs and initiatives funded in Governor Walker's next budget are:

#### **Wisconsin Technical College System (WTCS) Workforce Development Initiatives:**

- **Increased Aid and Flexibility for Workforce Training:** Increasing state aid to technical colleges by \$5 million in general aid, as well as giving flexibility over \$22 million in existing worker training-related funds. WTCS can use these funds to incentivize training program expansion in areas of high-demand for worker training needs. It also requires performance and results be tracked to allow WTCS to adjust curriculum based on future skills gaps.
- **Performance-Based Funding:** In addition, the budget will phase in performance funding for all of the state aid given to technical colleges. It will begin at 10% in 2014-15 and would eventually total all \$88.5 million general aid through performance by 2020. This would be roughly one-tenth of WTCS school operational budgets. The funding formula would be developed by WTCS with DOA oversight. The formula would be required to have a focus on job placement and programs focused in high demand fields.

#### **Department of Workforce Development Initiatives:**

- **Apprenticeship Program:** Fund the Apprenticeship program with state dollars when federal funds run out in FY14 at \$1.8 million. This funding will be ongoing so the Apprenticeship program will not risk losing funding in the future.
- **Veterans in Piping:** Maintain the Veterans in Piping program with \$300,000 state GPR dollars and 1 FTE. The program provides 20 weeks of training to veterans and was formerly funded with WIA dollars and a Veterans Assistance Foundation grant. This funding will be ongoing so the Veterans in Piping program will not risk losing funding in the future.

### **K-12 Initiatives:**

- **Explore, Plan, ACT, WorkKeys:** Fund \$11.5 million over the biennium for the ACT, the WorkKeys (which measures work readiness), and the precursor Explore and Plan tests to help parents and teachers understand which students are ready for college or a career by 11<sup>th</sup> grade. Using these tests will allow schools to provide these students with opportunities to begin taking AP and other advanced course work, while ensuring 12<sup>th</sup> graders who are behind get the remedial education they need to catch up. These tests are vital to measuring student academic growth in high schools for the purposes of state school report cards.
- **Readiness Council:** Give every child the opportunity to create an academic and career plan based on his or her interests, beginning in 6<sup>th</sup> grade. These individualized plans, developed with and frequently revised by parents, teachers, and guidance counselors, will help make sure our children are on track to graduate with a diploma **and** a plan. Approximately \$1.1 million will be provided to school districts to fund this effort beginning in the 2014-15 school year.

### **University of Wisconsin System Initiatives:**

- **Incentive Grant Program:** Invest \$20 million to support initiatives increasing economic development, addressing employer needs through development of a skilled workforce, and improving affordability.
- **UW Flexible Option:** Fund \$2 million to support start-up costs to develop additional programs and course offerings in the new UW Flexible Option degree program.
- **Core Credit Transfer:** Ensure students, who have earned credits in general education courses, get to keep those credits, even if they transfer to another school. Require the UW and Technical Colleges to develop a core set of 30 credits transferrable between all institutions, while giving private and tribal colleges the option to participate as well.
- **Wisconsin GI Bill Tuition Remission:** Align standards under the Wisconsin G.I. Bill with state veterans benefit programs in other states and eliminate an arbitrary time limit for spouses of veterans, who were disabled or killed in the line of duty, to use educational benefits.

**Reforming FoodShare Employment and Training Program (FSET):** Invest nearly \$17 million GPR and almost \$33 million in all funds in worker training for able-bodied adults without dependent children, who receive FoodShare benefits. Federal law requires able-bodied adults without dependent children to meet work or job training requirements as a condition of eligibility for FoodShare benefits. Currently, 46 states, including Wisconsin since 2002, have waivers exempting certain populations from this eligibility requirement.

Since 2008, Wisconsin has offered FSET services on a voluntary basis. In August 2012, the department informed the USDA it intends to enforce the work/training requirements for able-bodied adults without dependent children beginning July 2013.

Able-bodied adults without dependent children will be required to enroll in employment and worker training programs offered by the Department of Health Services, Department of Children and Families or Department of Workforce Development. If able-bodied adults without dependent children choose not to enroll in these employment programs, they will be subject to federal time limits on nutrition assistance benefits.

Participation in employment programs for adults with dependent children, the elderly, and people with disabilities will remain voluntary.

**Improving Rural Access to Health Care:** Multiple studies identified a growing need for health care professionals, which will only increase as the population ages. Governor Walker's budget investment aims to train health care professionals for these in-demand jobs of the current and future workforce in geographical areas of high need, such as rural and impoverished urban areas. This will provide much-needed jobs and better access to primary health care for Wisconsinites in rural areas.

- **Medical College of Wisconsin (MCW):**
  - **Family Medicine Residency:** Provide \$1.75 in state funding to MCW to expand their family medicine residency by 12 additional slots.
  - **Create Community Medical Education Program:** Invest \$7.4 million in GPR bonding for MCW to build two new campuses in the Wausau and Green Bay areas for MCS's new Community Medical Education Program initiative. This unique program will place MCW medical students at the Wausau and Green Bay campuses for all four years of their training, with a goal of 25 graduates per year at each campus.
- **University of Wisconsin-Madison Medical School:**
  - **WARM & TRIUMPH Expansion:** Provide \$3 million to expand the medical school's Wisconsin Academy for Rural Medicine (WARM) & Training in Urban Medicine and Public Health (TRIUMPH) programs. The medical school will also use these funds to establish special scholarships for WARM & TRIUMPH students based on financial need and upgrade technology to allow for increased distance learning opportunities for students.
    - **WARM** was started 5 years ago with the goal of admitting students who intend to practice rural medicine and, ultimately, helping increase the number of physicians who practice medicine in rural Wisconsin.
    - **TRIUMPH** was started in 2008 with the goal of enrolling students who intend to serve urban populations to reduce health disparities. The program integrates clinical medicine and community and public health in a 3<sup>rd</sup> and 4<sup>th</sup> year curriculum.
- **Create the Graduate Medical Education Consortium Funding Pool:** Invest \$4 million for grants to aid rural hospitals in building infrastructure and increasing volume in order for them to obtain national accreditation. The \$4 million investment requires a 50/50 match by applicants. Hospitals must be accredited in order to offer medical residencies. This investment will allow rural hospitals to pool their resources and apply

for accreditation as a consortium saving them vital time and money, while allowing them to draw medical residents to rural areas in need.

- **Creation of Medical Residency Grants for High Need Medical Professionals:** Invests \$1 million to provide grants to hospitals to help offset the high costs of medical residencies in five key areas: family medicine, pediatrics, psychiatry, general surgery, internal medicine.
- **Marquette Dental School Expansion:** Provides over \$500,000 for dental education contracts at Marquette to allow for 20 additional dental student slots per year.
- **Wisconsin Health Information Organization (WHIO):** Invests \$5 million in WHIO to jumpstart the organization's ability to produce consumer-focused health care cost and quality data. The funding will also support statewide consumer health literacy programs and give providers and insurers access to meaningful data to support quality improvement activities and provider payment reform. This investment will increase the transparency of cost and quality data, allowing individuals and businesses to become educated consumers of health care.

In total, Governor Walker's plan invests \$96 million of state taxpayer resources and \$132 million total dedicated to developing Wisconsin's workforce.